



Better Roads for a Better Minnesota

May 2011

Background

More than 750 miles of Trunk Highway (TH) roads in Minnesota are currently in “Poor” condition. Despite approximately \$980 million of planned pavement investments from 2012-15, the miles in “Poor” condition is projected to increase to 1,900 by the year 2020. This will have a significant negative impact on the traveling public, the state’s economy and quality of life. It will also increase the future cost of maintaining paved roads in Minnesota.

Program Proposal

The Minnesota Department of Transportation is developing a four-year program that will:

- Significantly improve state highway pavement condition – the goal is to improve more than 700 miles of roads and reduce “Poor” pavements
- Provide pavement-focused mobility enhancements and transit advantages in the Twin Cities metro area including MnPASS expansion and shoulder hardening for transit
- Provide pavement-related improvements in the areas of safety and ADA accessibility and other work, such as drainage facilities
- Explore innovative engineering and delivery techniques to best use taxpayer dollars
- Support about 3,400 jobs in the Minnesota road construction industry

Program Cost and Funding

The overall cost of this program is \$398 million and does not require any increase in revenue. The funding sources include: TH Bonds held as contingency for unanticipated cost increases in the Mn/DOT Bridge Program; state funds from the TH Fund; and available federal funds, including bid savings on recent projects.

Source	FY 2012	FY 2013	FY 2014	FY 2015	Total
TH Bonds	\$68 m	\$50 m	\$35 m	-	\$153 m
TH Fund	\$56 m	\$28 m	\$25 m	\$33 m	\$142 m
Federal Funds	\$31 m	\$12 m	\$19 m	-	\$ 62 m
Subtotal	\$155 m	\$90 m	\$79 m	\$33 m	\$357 m
TH Debt Service	\$5 m	\$9 m	\$14 m	\$13 m	\$41 m
Total	\$160 m	\$99 m	\$93 m	\$46 m	\$398 m

Funding will be allocated statewide to MnDOT’s transportation districts based on pavement performance need.

Additional Commitment

MnDOT has already committed an additional \$96 million in FY 2011 towards pavement improvement.

Sustainability

The *Better Roads for a Better Minnesota* program will stem the increase in “Poor” pavements over the next four years, after which, more investments above and beyond the regular program will be needed. These investments will be determined based on MnDOT’s risk management approach.

Legislative Authority

Appropriation authority is necessary to use this increased funding from the TH Fund balance, which includes debt service on the TH bonds, as well as federal funds for the *Better Roads for a Better Minnesota* program. No additional authority is needed to use the TH bonds for the program.

Your Destination...Our Priority

